

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF THE UNION LIGHT,)	CASE NO. 9029-T
HEAT AND POWER COMPANY)	

O R D E R

On October 24, 1984, the Commission issued its Order in Case No. 9029 approving certain rates and providing for adjustments of these rates on a quarterly basis in accordance with the provisions of the gas cost adjustment ("GCA") clause set forth therein.

On August 1, 1989, The Union Light, Heat and Power Company ("ULH&P") filed its quarterly gas cost adjustment which is to become effective September 1, 1989 and is to remain in effect until December 1, 1989.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission is of the opinion and finds that:

(1) ULH&P's notice of August 1, 1989 set out certain revisions in rates which ULH&P proposed to place into effect, said rates being designed to pass on the wholesale increase in gas costs from its suppliers in the amount of \$1,327,277 or 12.6 cents per Mcf.

(2) ULH&P's notice set out a total refund adjustment of 1.5 cents per Mcf, which is a combination of previous quarters' adjustments and the current quarter's adjustment of .9 cents per Mcf.

(3) ULH&P's notice set out a total actual adjustment of 2.2 cents per Mcf to compensate for previous under-recovery of gas cost by the company through the operation of its gas cost recovery procedure.

(4) ULH&P's notice set out a total balance adjustment of .3 cents per Mcf to reconcile previous actual, refund, and balance adjustments.

(5) ULH&P's gas cost recovery rate for exempt customers in the amount of \$3.055 per Mcf, which includes a take-or-pay recovery component of 7.7 cents per Mcf, is an increase of 10.1 cents per Mcf from the previously authorized rate. This increase represents the combined effect of the supplier increase, actual, refund, and balancing adjustments.

(6) ULH&P's adjustment in rates set out in the Appendix, attached hereto and incorporated herein, is fair, just, and reasonable and in the public interest and should be effective on and after September 1, 1989.

IT IS THEREFORE ORDERED that:

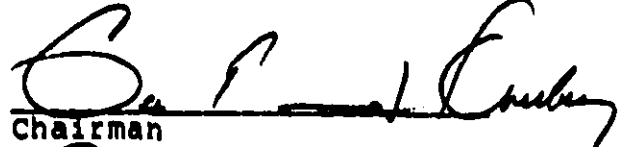
(1) The rates proposed by ULH&P be and they hereby are authorized effective with bills rendered on and after September 1, 1989.

(2) The gas cost recovery rate for exempt customers shall be \$3.055 per Mcf.

(3) Within 30 days of the date of this Order, ULH&P shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 30th day of August, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 9029-T DATED August 30, 1989

The following rates and charges are prescribed for the customers served by The Union Light, Heat and Power Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

RATE GS
GENERAL SERVICE

Customer Charge per month:

Residential Service	\$4.50
Non-Residential Service	\$6.00

	<u>Base Rate</u>	<u>Gas Cost Adjustment</u>		<u>Total Rate</u>
All Gas Used	13.91¢	plus 30.55¢	equals	44.46¢ per 100 cu. ft.

Minimum Bill: The minimum monthly charge shall be the customer charge as stated above.

The "Gas Cost Adjustment" as shown above is an adjustment per 100 cubic feet determined in accordance with the "Gas Cost Adjustment Clause" set forth on Sheet No. 19 of this tariff.

RATE F
Special Contract - Firm Use

	<u>Base Rate</u>	<u>Gas Cost Adjustment</u>		<u>Total Rate</u>
All Gas Used	7.39¢	plus 30.55¢	equals	37.94¢ per 100 cu. ft.

The "Gas Cost Adjustment" as shown above is an adjustment per 100 cubic feet determined in accordance with the "Gas Cost Adjustment Clause" set forth on Sheet No. 19 of this tariff.

RATE OP

OFF PEAK

NET MONTHLY BILL

Computed in accordance with the following charges:

(1) Firm Use shall be billed in accordance with Rate GS, General Service;

(2) Off Peak Gas (i.e., Gas in excess of Firm Use) shall be billed in accordance with the following:

	<u>Base Rate</u>	<u>Gas Cost Adjustment</u>		<u>Total Rate</u>
All Gas Used	4.42¢	plus 30.55¢	equals	34.97¢ per 100 cu. ft.

The "Gas Cost Adjustment" as shown above is an adjustment per 100 cubic feet determined in accordance with the "Gas Cost Adjustment Clause" set forth on Sheet No. 19 of this tariff.

RIDER T-O-P
TAKE-OR-PAY RECOVERY CHARGE

The T-O-P charge to be billed during the revenue months of June, July, and August 1989 is 7.7 cents per 1,000 cubic feet.